



To: House Judiciary Members

From: Mary Dechow, Director Government & Regulatory Affairs
(616) 878-2469

Date: May 31, 2005

RE: METH Legislation – SB 189/HB 4322

Dear House Judiciary Members,

This week you will hear testimony on the above named bills, which deal with the sale of cough and cold products used in the manufacturing of methamphetamine.

Spartan owns and operates 55 supermarkets in Michigan (Glen's Markets and Family Fare Supermarkets) and we supply products to over 300 other stores. We sell 152 different cough and cold products that contain pseudoephedrine.

We share the concern of lawmakers and law enforcement regarding the widespread use of meth and the issues it causes in our communities and we support efforts to control the situation. However, as retailers, we feel it's important that, in the process of stopping the illegal use of these products, we do not forget the legitimate uses and not overly burden the consumer who is purchasing these items for themselves or a family member.

The goal of this legislation is to:

- Limit the amount someone making meth can purchase at any one location.
- Provide police with a way to verify purchases and track purchasers.
- Stop the theft of product.

Our specific concerns are related to our desire to continue serving the thousands of customers who purchase these hundreds of items for legitimate purposes.

1) SALES RESTRICTIONS, ANTI-THEFT DEVICE & VIDEO

Sales location restrictions are in the bill to stop the possible theft of pseudoephedrine containing products.

As written, retailers have three options.

- A) Sell from behind a service counter or pharmacy counter;
- B) Sell from a locked case in the store; or

- C) Leave on the shelf, but have in place video surveillance and anti-theft devices.

This third option (C), will benefit only the large operators (Wal-Mart, Meijer) and some chain pharmacies. This anti-theft equipment costs \$50,000-\$75,000 to install. Grocers can't afford this and will be forced to put all products behind a counter or in locked cases, meaning they will lose sales and customers. In addition, the requirement that stores keep videotapes for 6 months is far beyond industry standard and need.

WE RECOMMEND THE FOLLOWING:

- A) Require restrictions only on tablets and capsules, but remove the restrictions for liquid gel caps.
- B) Allow the use of alternative anti-theft methods (e.g., shelf dispensers that enable a shopper to remove only one item at a time, with a delay between removals; overall shelf limits such as 2 of any item.)
- C) Change the video tape requirement to 8 weeks, unless specifically requested for a police investigation.
- D) Eliminate the word "constant" on the required signs. This wording could lead to other liability situations for the store.

2) LOG AND SALES LIMITS

The requirement that stores log the name of purchasers and items purchased is extremely burdensome for retailers and customers. We are also concerned about the sales limit of 2 items. Generally, if someone is in need of these products, it is because they are suffering from a cold or sinus problem. Often they are in need of a daytime and a nighttime medicine, sometimes for multiple family members. As stated earlier, there are thousands of people who use these hundreds of product every day. We want to continue to protect their rights, too.

WE RECOMMEND THE FOLLOWING

- A) Eliminate the log requirement if a person purchases up to 2 items.
- B) Increase the per transaction limit to 4.

3) 18-YEAR-OLD PURCHASE SIGN

The sign language in Section (7) must be simple to read and understand.

RECOMMEND: You must be 18 or older to buy items containing ephedrine or pseudoephedrine. MCL XXXXXXXX

SPECIFIC LANGUAGE RECOMMENDATIONS:

PAGE 2, LINE 3 – PUT A COMMA AFTER PRODUCTS, THEN DELETE “ THAT USES SPECIAL PACKAGE TAGS AND DETECTION ALARMS DESIGNED TO PREVENT THEFT”

PAGE 2, LINES 10 & 11 – CHANGE 6 MONTHS TO 60 DAYS

PAGE 2, LINE 14 – REMOVE WORD “CONSTANT”

PAGE 3, LINE 4 – ADD AT BEGINNING OF THE LINE “FOR ANY PURCHASE EXCEEDING TWO REGULATED ITEMS, “

PAGE 3, LINES 14-15 – CHANGE TO “4 PACKAGES, OR 48 TABLETS OR CAPSULES”

PAGE 3, LINE 24 – ADD AFTER LIQUID “OR LIQUID GEL CAP”

PAGE 4, LINES 14-19 – DELETE AND REPLACE WITHY: “YOU MUST BE 18 OR OLDER TO BUY PRODUCTS CONTAINING EPHEDRINE OR PSEUDOEPHEDRINE.”